

Education and Cultural Affairs Subcommittee
Tuesday, August 8, 2023

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AGENDA



South Carolina House of Representatives Legislative Oversight Committee

EDUCATION AND CULTURAL AFFAIRS SUBCOMMITTEE

Chairman Timothy A. "Tim" McGinnis

The Honorable Adam M. Morgan
The Honorable John R. McCravy, III
The Honorable Wendell K. Jones
The Honorable Josiah Magnuson

A G E N D A

Tuesday, August 8, 2023

10:30 a.m.

Room 110 - Blatt Building

Pursuant to Committee Rule 4.7, S.C. ETV shall be allowed access for internet streaming whenever technologically feasible.

AGENDA

- I. Approval of Minutes
- II. Discussion of the study of the Commission on Higher Education
- III. Adjournment



MINUTES



South Carolina House of Representatives Legislative Oversight Committee

Chair Jeffrey E. “Jeff” Johnson

William H. Bailey
Gary S. Brewer
April Cromer
Kambrell H. Garvin
Leon Douglas “Doug” Gilliam
Thomas Duval “Val” Guest, Jr.

William M. “Bill” Hixon
Joseph H. “Joe” Jefferson, Jr.
Wendell Keith Jones
Roger K. Kirby
Josiah Magnuson
John R. McCravy, III

First Vice-Chair Chris Wooten

Timothy A. “Tim” McGinnis
Adam M. Morgan
Travis A. Moore
Russell L. Ott
Marvin R. Pendarvis
Marvin “Mark” Smith

Lewis Carter
Director

Cathy A. Greer
Administration Coordinator

Roland Franklin
Legal Counsel

Riley E. McCullough
Research Analyst

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Columbia, South Carolina 29211
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Room 228 Blatt Building

MEETING MINUTES

Friday, July 21, 2023
Room 521

Archived Video Available

- I. Pursuant to House Legislative Oversight Committee Rule 6.7, South Carolina ETV was allowed access for streaming the meeting. You may access an archived video of this meeting by visiting the South Carolina General Assembly’s website (<http://www.scstatehouse.gov>) and clicking on Committee Postings and Reports, then under House Standing Committees click on Legislative Oversight. Then, click on Video Archives for a listing of archived videos for the Committee.

Attendance

- I. The Education and Cultural Subcommittee meeting was called to order by Chair Timothy A. “Tim” McGinnis on Friday, July 21, 2023, in Room 521 of the Blatt Building. Three subcommittee members (Chair McGinnis; Representative Josiah Magnuson; Representative Wendell Jones; and Representative Josiah Magnuson) were present, and two absent (Representative Adam M. Morgan; and Rep. John R. McCravy, III) for all or a portion of the meeting.

Minutes

- I. House Rule 4.5 requires standing committees to prepare and make available to the public the minutes of committee meetings, but the minutes do not have to be verbatim accounts of meetings.

Approval of Minutes

Approval of Minutes

- I. Representative Magnuson made a motion to approve the meeting minutes from the Monday, June 5, 2023, meeting and Tuesday, June 27, 2023, meeting. A roll call vote was held, and the motion passed.

Rep. Garvin's motion to approve meeting minutes.	Yea	Nay	Not Voting
Rep. Jones	✓		
Rep. Magnuson	✓		
Rep. Morgan			✓
Rep. McCravy			✓
Rep. McGinnis	✓		

Discussion of Commission on Higher Education

- I. Chair McGinnis calls the meeting to order. Members introduce themselves and Rep. Magnuson gives an opening prayer.
- II. Agency director, Dr. Rusty Monhollon, and members of his executive team are present. The director presents information on the following topics:
- Student Population Trends in South Carolina (public and private not-for-profit)
 - Faculty Trends and Pay
 - Funding Higher Education
 - Student Loan Debt
 - Competency-Based Education
 - Massive Open Online Course
 - Return on Investment for Public Bachelor Degrees in SC
 - Workforce Shortages and Future Needs

Adjournment

- I. There being no further business, the meeting is adjourned.



AGENCY SNAPSHOT



South Carolina House of Representatives Legislative Oversight Committee

COMMISSION ON HIGHER EDUCATION OVERVIEW

ABOUT



- The South Carolina Commission on Higher Education (CHE) was established in 1967 and serves as the coordinating board for South Carolina's 33 public institutions of higher learning.
- CHE is committed to promoting access, affordability, and excellence within the state system of higher education.
- CHE acts both as an oversight entity on behalf of the General Assembly and an advocate for the citizens of South Carolina as they seek opportunities to improve their lives and those of their families, through higher education.

LEADERSHIP

Agency Head

- Dr. Rusty L. Monhollon became CHE's president and executive director in July of 2019.
- § 59-103-90: Manage and carry out duties of Commission; ensure staff has professional competence and experience
- Commission appoints agency head to manage and carry out duties as prescribed by law and assigned by the Commission

Commission

- 15-member board selected per § 59-103-10
- Eight appointed by Governor, with advice and consent of Senate
- Seven appointed by the governor upon the recommendation of the legislative delegation from the Congressional district

ROLE

The agency performs a range of work to support and coordinate the state system of higher education. Generally, this entails:

- Administering state, regional, and federal programs, in addition to state-funded lottery scholarships and grants.
- Approving new academic degree programs and institutions' revisions to mission statements.
- Collecting, analyzing, and reporting comprehensive data on postsecondary education in South Carolina.
- Coordinating the interests of federal and state government, institutions of higher education, public K12 education, students and their families, and the business community.
- Licensing non-public educational institutions operating and soliciting within the state.
- Recommending policy to the governor, the General Assembly, and relevant state agencies using data.
- Reviewing the productivity of existing academic programs and institutions' missions to see they are advancing defined state goals.

FTEs/BUDGET

FY 2022-23



PERFORMANCE MEASURES

- 1 **Increase Higher Education Enrollment**
Strategy 1: Assist families with planning for higher education costs
Strategy 2: Increase family awareness of postsecondary education opportunities
Strategy 3: Obtain grants targeting K-12 population to prepare them for postsecondary education
- 2 **Promote Quality and Excellence of South Carolina's Higher Education System**
Strategy 1: Promote on-time degree completion
- 3 **Improve Affordability and Accessibility of South Carolina Higher Education Programs and Services for Students and Families**
Strategy 1: Promote high-quality early college opportunities
Strategy 2: Advance cost-saving opportunities to obtain a postsecondary credential
- 4 **Promote Higher Education's Value to the State's Economic Growth and Human Capital Development**
Strategy 1: Collaborate with peer agencies and institutions

STATISTICS

FY 2021-22 State Appropriations to Public Colleges and Universities

\$731,848,791

8.4% of FY 2021-22
Total State recurring Appropriations

Total Number of Institutions	84
Public Institution Total	33
Independent Institution Total	25
Out-of-State Degree Granting	24
Fall 2021 Grand Total Headcount Enrollment	230,566
FY 2020-21 Grand Total Degrees Awarded	55,428

Source: South Carolina Legislative Oversight Committee Page 9



AGENCY PRESENTATION



South Carolina
Commission on Higher Education
Access | Affordability | Excellence

Office of Internal Operations and Administration

Georges Tippens

Deputy Director and General Counsel

Office Purpose

- To lead the internal operations of the agency so the President and Executive Director can focus on External Relations, Engagement, and Coordination of the thirty-three public institutions of higher learning.

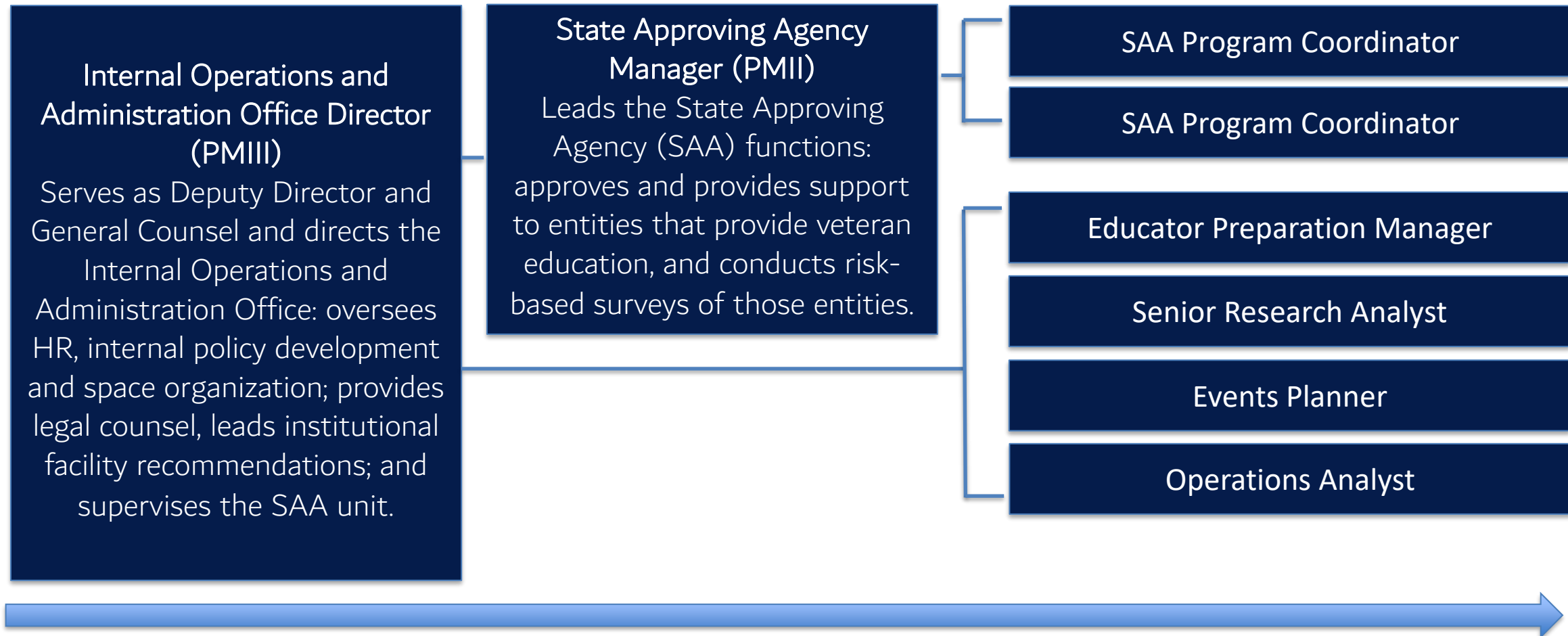
Office Overview

- Responsible for operations for the agency, including:
 - HR
 - Procurement approvals agencywide
 - Agency-wide logistical support
 - Legal service
 - State Approving Agency (provides regulatory support to the federal Department of Veterans Affairs)
 - Services around teacher education and preparation

Office Internal Operations

- Led by the Deputy Director and General Counsel
- The Office has three distinct subunits
 - State Approving Agency
 - Research
 - Educator Preparation
- Two FTEs assist with agencywide support
 - Operations Analyst, who among other duties, helps with HR and procurement
 - Event Planner, who provides logistical support agencywide

Organizational Chart



Internal Operation Functions

- Non-Fiscal Affairs and -IT agencywide support
 - Policy development and review
 - Legal review, advice, and counsel
 - Procurement review and approval
 - Travel request review and approval
 - Event logistical support
 - HR liaison functions

Comprehensive Permanent Improvement Plan

- Statutory responsibility under Title 2, Chapter 47
 - Annually, review and provide recommendations on projects submitted by institutions of higher learning over a five-year period
 - Recommendations prioritize work on existing infrastructure and maintenance over modernization
 - For FYs 2023 – 2027, institutions submitted planned projects totaling \$5.3 billion of which \$2.5 billion related to renewing existing infrastructure (addressing deferred maintenance).

Human Resources Information

- Staff Training
 - Each Office has an annual budget for staff professional development and training
 - The agency periodically offers all staff the ability to sign up for software training, such as Excel
 - The agency also recently required all staff to receive teambuilding training

Human Resources Information

- Staff Evaluations
 - EPMS evaluations, which are modeled after the Department of Administration forms, are conducted annually, by August 1 or at the end of a new hire's probationary period
 - Each supervisor/manager meets with his/her staff to discuss the evaluation and solicit feedback
 - Managers also hold informal quarterly evaluations for telecommuting staff

Human Resources Information



South Carolina
Commission on Higher Education

Employee Quarterly Review
(internal use only; required by CHE telecommuting plan)

Employee Name	
Supervisor/Manager Name:	
Review Date:	
Items Discussed	
Areas for Improvement	
Any changes to current job functions?	
Is performance improvement plan needed?	

Employee Signature and Date: _____

This completed form will be housed in the Supervisor/Manager's employee files.



Human Resources Information

- Employee Engagement Survey
 - In coordination with HR Shared Services, the CHE developed its first ever survey to employees to solicit feedback about working for the agency.
 - Management will use the results from the anonymous survey to address operations

Human Resources Information

- Employee Engagement Survey Sample Questions
 - What, if any, issues, concerns or problems do you have with CHE?
 - If applicable, what improvements could leadership make to improve working at CHE?

Human Resources Information

- Management Training
 - The agency requires all managers to undertake a four-day supervisory training session offered by State Human Resources
 - Managers are evaluated to the same extent as staff, through EPMS evaluations and quarterly informal evaluations if they telework

Human Resources Information

Office Turnover – FY 2019-20

Office	Employees (Average)	Separations (Total)	Turnover Rate (%)	State Government Turnover Rate (%)
Academic Affairs and Licensing	12.00	1.00	8.33	16.57
Data Management and IT	3.67	0.00	0.00	
Fiscal Affairs	4.00	0.00	0.00	
Internal Operations and Administration	1.58	0.00	0.00	
President and Executive Director	2.83	1.00	35.29	
Strategic Initiatives and Engagement	0.92	0.00	0.00	
Student Affairs	9.17	1.00	10.91	
Totals	34.17	3.00	8.78	

Human Resources Information

Office Turnover – FY 2020-21

Office	Employees (Average)	Separations (Total)	Turnover Rate (%)	State Government Turnover Rate (%)
Academic Affairs and Licensing	8.92	6.00	67.29	20.82
Data Management and IT	3.67	2.00	54.55	
Fiscal Affairs	3.83	1.00	26.09	
Internal Operations and Administration	2.92	0.00	0.00	
President and Executive Director	1.42	0.00	0.00	
Strategic Initiatives and Engagement	2.00	0.00	0.00	
Student Affairs	9.58	1.00	10.43	
Totals	32.33	10.00	30.93	



Human Resources Information

Office Turnover – FY 2021-22

Office	Employees (Average)	Separations (Total)	Turnover Rate (%)	State Government Turnover Rate (%)
Academic Affairs and Licensing	7.83	2.00	25.53	22.60
Data Management and IT	4.08	0.00	0.00	
Fiscal Affairs	3.67	0.00	0.00	
Internal Operations and Administration	5.33	0.00	0.00	
President and Executive Director	1.00	0.00	0.00	
Strategic Initiatives and Engagement	2.00	1.00	50.00	
Student Affairs	8.33	3.00	36.00	
Totals	32.25	6.00	18.60	



Human Resources Information

Office Turnover – FY 2022-23

Office	Employees (Average)	Separations (Total)	Turnover Rate (%)	State Government Turnover Rate (%)
Academic Affairs and Licensing	8.20	3.00	36.59	13.48
Data Management and IT	4.40	1.00	22.73	
Fiscal Affairs	4.10	0.00	0.00	
Internal Operations and Administration	7.40	1.00	13.51	
President and Executive Director	1.20	0.00	0.00	
Strategic Initiatives and Engagement	5.00	2.00	40.00	
Student Affairs	7.50	1.00	13.33	
Totals	37.80	8.00	21.16	



Human Resources Information

- HR Shared Services
 - Includes assistance with: employee recruitment and selection, classification and compensation, employee relations, benefits and payroll processing, reporting, training, and guidance.
 - Serves as the liaison between the agency and State Human Resources

Human Resources Information

- HR Shared Services New Hire Sample Process
 - Processes posting paperwork and posts on state job board
 - Processes new hire paperwork and drafts offer letter
 - Conducts employee orientation and processes required paperwork, such as I-9 form

Human Resources Information

- Succession Planning
 - As an objective on their Planning Documents, all staff were asked to create standard operating procedures for their duties
 - Managers look for ways to cross train employees so they may take on additional duties if there are short- or long-term vacancies or absences

Human Resources Information

- Growth Opportunities
 - For the past three years, we have conducted staffing assessments where directors identify staff for potential growth opportunities, even though we are a small, flat agency.
 - For the past two years, we have selected a staff member to enroll in the “certified public manager” program.

Office Responsibilities

- Permanent Improvement Project Review
 - Commission recommends projects to the Joint Bond Review Committee
 - Staff review institutional proposals and summarize submissions for the Commission's review
 - Projects range from \$2 million deferred maintenance projects, to land acquisitions, to \$300 million new construction projects

Office Responsibilities

- The Centers of Excellence Grant Program
 - Created by EIA Improvement ACT (EIA) of 1984
 - Eligible institutions serve as resource centers for the improvement of teacher education
 - Models teaching best practices, conducts research, shares information, and provides training for K-12 and higher education personnel in the centers' areas of expertise
 - Currently, the CHE funds and manages six Centers housed at five different institutions addressing topics including teacher retention/recruitment, professional development in mathematical literacy, rural school leadership training/development, research, and alternative certification

Office Responsibilities

- Educator Preparation
 - Staff:
 - liaise with external stakeholders and agencies
 - Participate in different work groups and/or committees related to teacher education programs, teacher retention, and teacher recruitment
 - Provide input and feedback to educator preparation program proposals

Office Responsibilities

- Elementary and Secondary School Emergency Relief Fund (ESSER III)
 - Awarded by the SC Department of Education
 - Conducts summer programs for rising freshmen and currently enrolled students to mitigate the learning loss resulting from the impact of COVID-19
 - Funds five summer projects at five public institutions

Office Responsibilities

- Research
 - New Responsibility – Senior Researcher started on May 1, 2023
 - Team will conduct research and analyses to inform policy and programs to meet goals of *Ascend 60x30*

State Approving Agency Overview

- The South Carolina Commission on Higher Education Veterans' Education and Training Section is designated as the State Approving Agency by the Governor
- The State Approving Agency acts on behalf of the VA to evaluate educational/vocational institutions and training establishments for the purpose of allowing veterans and those eligible to receive VA Education benefits

State Approving Agency Primary Responsibilities

- The State Approving Agency is responsible for approving and supervising veterans' education and training programs at South Carolina educational institutions and job training establishments
- The State Approving Agency assists the VA with conducting risk-based surveys at educational institutions to ensure financial and enrollment certifications are met in accordance with federal regulations

State Approving Agency Funding

- Funded by the VA
- Each State Approving Agency is funded based upon the number of active educational institutions and training establishment (employers) within an individual state. South Carolina's funding is approximately \$400,000

Approved Educational Institutions and Employers

Educational Institutions and Employer	Approved	Active	Inactive	Total
Degree granting institutions	154	93	61	154
Non-college degree institutions	230	61	169	230
Employers	400	69	331	400
Federal Fiscal Year 2023 Active Facilities	223			
State Approving Agency FY23-Allocation	\$395,348.00			

GI Bill® Educational Benefits - Rates

Maximum each veteran may receive in annual GI benefits

- 2020-21 -\$25,162
- 2021-22 -\$26,043
- 2022-23 -\$26,381
- 2023-24 -\$27,120

Questions?





South Carolina
Commission on Higher Education
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Office of Strategic Initiatives and Engagement

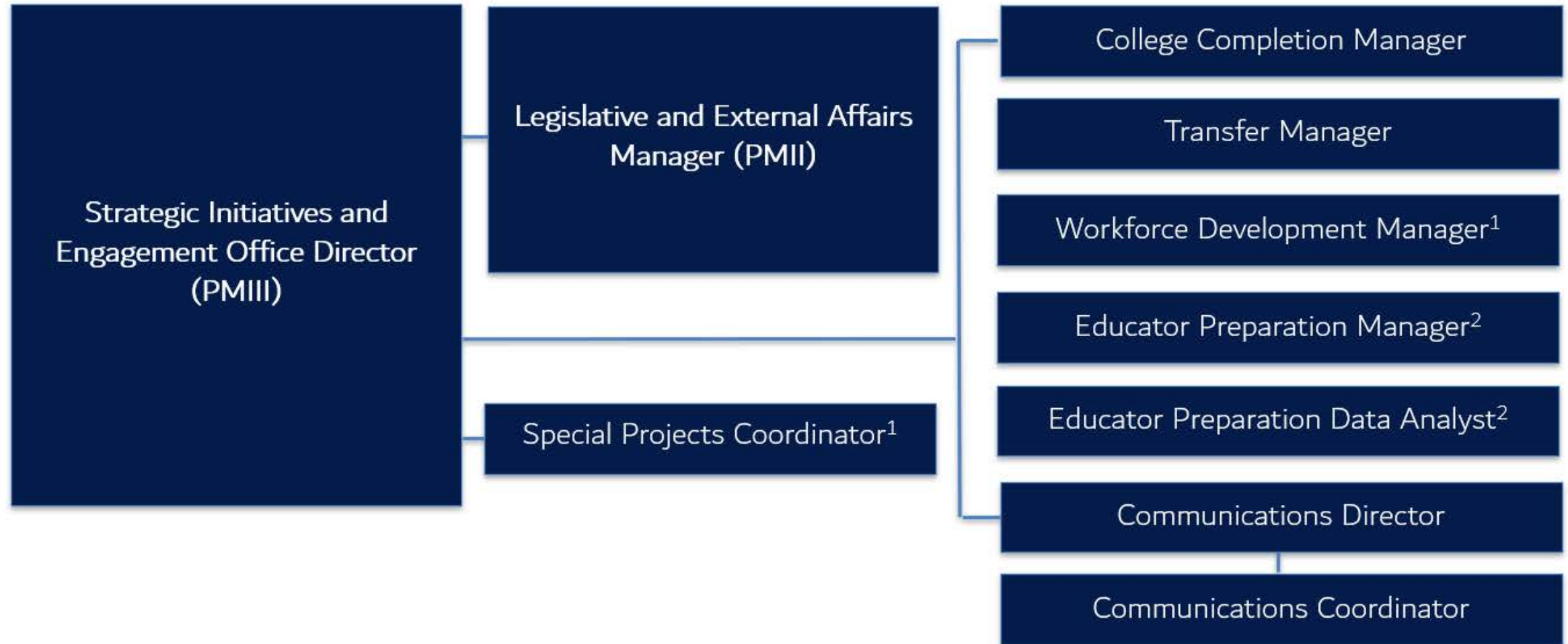
Bunnie Lempesis Ward
Director

Office Purpose

The Office of Strategic Initiatives and Engagement (OSIE) guides the agency's:

- legislative and governmental relations,
- communications,
- external engagement, and
- special projects.

Organization Chart



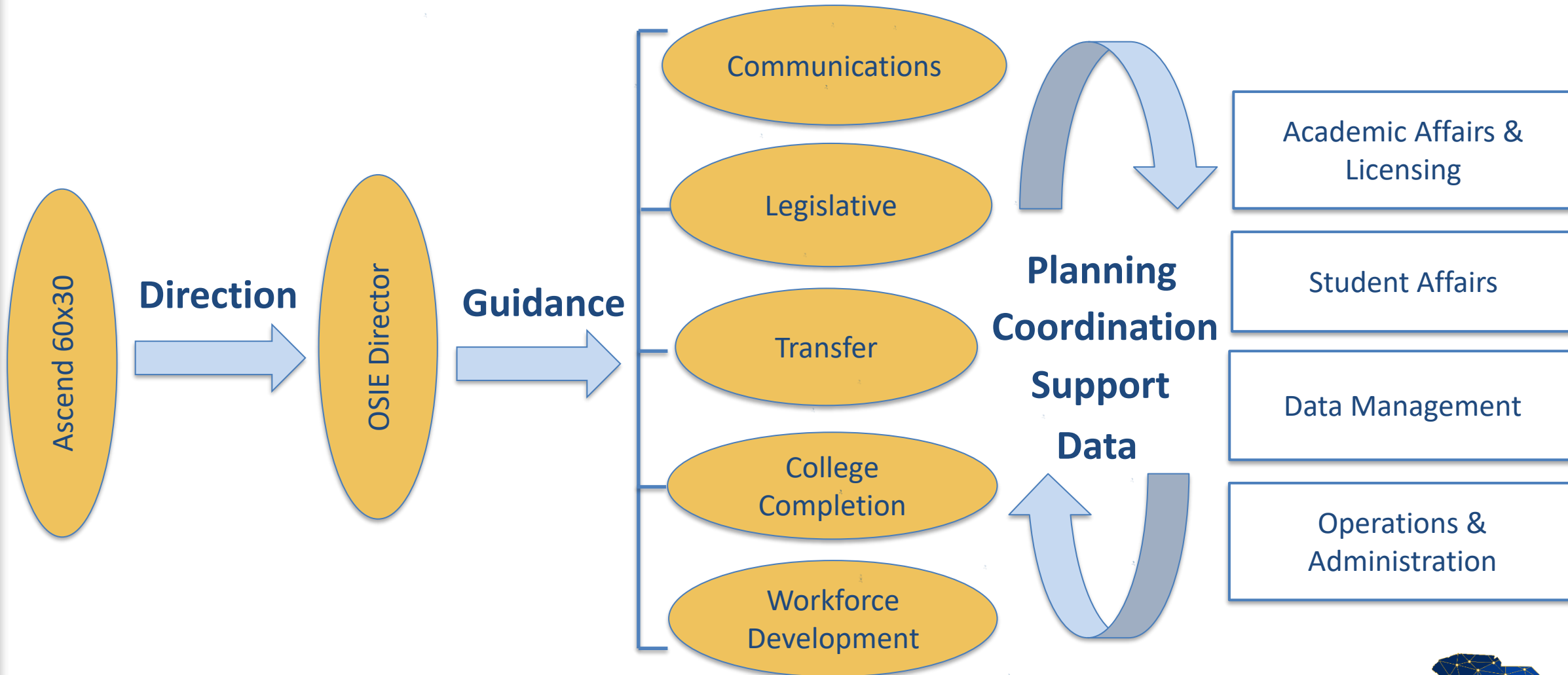
¹ Hired as of August 1, 2023

² Funded in FY23-24 General Appropriations Act (Ed Prep)

Office Internal Operations

- Provide agency level legislative and external affairs services, including communications and engagement
- Build and implement college completion and transfer initiatives
- Convene and collaborate with stakeholders
- Increase awareness about postsecondary attainment strategies and CHE's services

Office Internal Functions



Human Resources Information: Turnover Data

Office Name	# of Employees at Start of Fiscal Year	# of Employees at End of Fiscal Year	Average # of Employees	# of Separations	Turnover Rate	Reasoning
	July 2019	June 2020	2019 - 2020	2019 - 2020	2019 - 2020	
Office of Legislative and Communications	0.00	2.00	0.92	0.00	0%	No turnover
	July 2020	June 2021	2020 – 2021	2020 – 2021	2020 – 2021	
Office of Legislative and Communications	2.00	2.00	2.00	0.00	0%	No turnover
	July 2021	June 2022	2021 - 2022	2021 - 2022	2021 – 2022	
Office of Legislative and Communications	2.00	3.00	2.00	1.00	50%	Career progression; Moved out of state
	July 2022	April 2023	2022 – 2023 (April)	2022 – 2023 (April)	2022 – 2023 (April)	
Office of Strategic Initiatives and Engagement	3.00	6.00	5.00	2.00	40%	Career progression; Moved out of state

Human Resources Information: Recruitment and Retention Strategy

- **Recruitment:**
 - Enhancing relationships with professional organizations to ensure quality candidates
 - Increased visibility of CHE to broaden applicant pool
 - Hiring of high quality staff to leverage their connections
- **Retention:**
 - Providing staff a sense of autonomy and team work
 - Allocated funding for professional development
 - Collaborative opportunities between other CHE offices, institutions, and professional organizations
 - Flexible work schedules and telecommuting days

Significant Engagement Events

Recurring

- College and Career Decision Day
- Higher Education Day
- College Goal SC (FAFSA Completion)
- College Application Month/College Application Season
- Council of Board Chairs/ Trustee Workshop
- Schools of Excellence Recognition
- Centers of Excellence Conference (2023)

Standalone

- CHE Complete College Conference (2022)
- Transfer Convening (2023)
- Industry Innovation Summit (2022)
- Taiwan/SC Cooperation Agreement Signing (2022)
- CHE Legislative Breakfast (2023)

Legislative and External Affairs

- Supports and advises the agency in all matters regarding state legislative and regulatory issues/priorities
- Collaborates with state legislature, governmental agencies, postsecondary institutions, and community organizations
- Identifies and monitors legislative and regulatory activity

Communications

- Manage and lead external and internal communications
- Primary constituents/stakeholders:
 - Education Stakeholders: Postsecondary and K-12 students and employees, Institutions
 - General Public: Media, South Carolinians, External Partners
 - State Entities: Elected and Appointed Officials, Agencies

Communications

- Daily agency support:
 - Media relations, social media management, website management, brand management, graphic design support for written products and collateral, agency editing support
- Strategic initiative support:
 - Communications to advance *Ascend 60x30* initiatives
 - Special events publicity and public engagement

External Communications Metrics 2022

Media

Press Releases / Advisories: 11
 Media Events: 3
 Media Placements / Quotes: 19
 Total Media Mentions: 27

CHE Website

Average Monthly Visits: 25K
 Total Site Visits (Aug. 11- Dec. 1): 103K
 Agency News Stories: 11

Most Popular Pages 2022:

1. Homepage: 21K
2. Scholarships and Grants: 18K
3. SC Residency Information: 3.7K
4. CHE Meetings: 2.6K
5. Staff Directory: 2K

CHE Social Media

Key Metrics by Platform

Platform	2022 Reach	Following Size	2022 Change in Following	Top Post / Reach
Twitter	72,642	1,182	+10%	FMU doctoral program expansions: 2.7K
Facebook	22,100	434	+62%	Dr. Marilyn Murphy Fore (HGTC) selected to lead board of presidents / 9.7K
LinkedIn	2,734	187	+136%	CHE Fun Fact: First academic program approval / NA

2022 Social Media Topic Distribution Analysis

- Ascend 60x30 Awareness
- Excellence and Innovation
- Higher Education Accessibility
- Workforce relevancy
- Higher Education Affordability
- Other



Communications Highlights

- Agency rebranding (2021)
- Website redesign and transition (2021-2022)
- Growth in social media and external media exposure
- Strategic communications/messaging in support of *Ascend 60x30* (2021-2022)

Transfer and Articulation

Current Projects

- Policy to establish statewide transfer articulation agreement and reverse transfer agreement
- Develop a transfer library of core courses and common course numbering system

Future Initiatives

- Programs to award credit for prior learning experience, military service, and competency-based education
- Enhance dual enrollment/dual credit/early college opportunities

Transfer Task Force

30+ South Carolina transfer-related personnel, representing all categories of higher education institutions

Philosophy

Transfer Equality

Pathways

Organizations

Culture

Data

Work resulted in 6 recommendations to enhance South Carolina transfer

Transfer Report Recommendations

Solicit and
appointment
institutional
transfer
liaisons

Develop,
manage, and
curate a robust
statewide data
system and
dashboard

Convene
institutional
stakeholders to
review and
address
articulation
resources

Institutions
inform
students about
transfer
options and
resources

Implement a
reverse
transfer plan

Secure funding
to establish
transfer
scholarships
and awareness
campaign

Transfer Engagement Metrics

- Transfer Excellence Convening
 - Partnership between CHE and Transfer Task Force
 - Approximately 140 attendees, representing 45 SC institutions and higher education organizations
 - Institutional representatives:
 - Learned about the Transfer Report and 6 recommendations
 - Collaborated on SC Promising Practices
 - Recommended next steps

College Completion

- Increase readiness, persistence, and completion of college-going students by:
 - Providing a statewide perspective and develop completion goals and strategies, and
 - Collecting data and reporting measurable progress

Potential Strategies

Academic and Career Pathways

- Program Review
- Data Collection
- Development of academic pathways
- Incorporation of career pathways

College Readiness

- State policy review
- Update Admission Standards
- Data Collection
- Development of Co-Requisites

Regional Mentors

- Data Collection
- Convenings
- Grant application and management

Workforce Development

- Promote the role and impact of postsecondary attainment on economic and workforce development
- Ensure postsecondary education course offerings are aligned with workforce needs and requirements
- Drive strategies to boost workforce needs in high demand sectors

Questions?





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Commission on Higher Education
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Office of Fiscal Affairs

Bryce Wilson, CPA, CGFO
Director

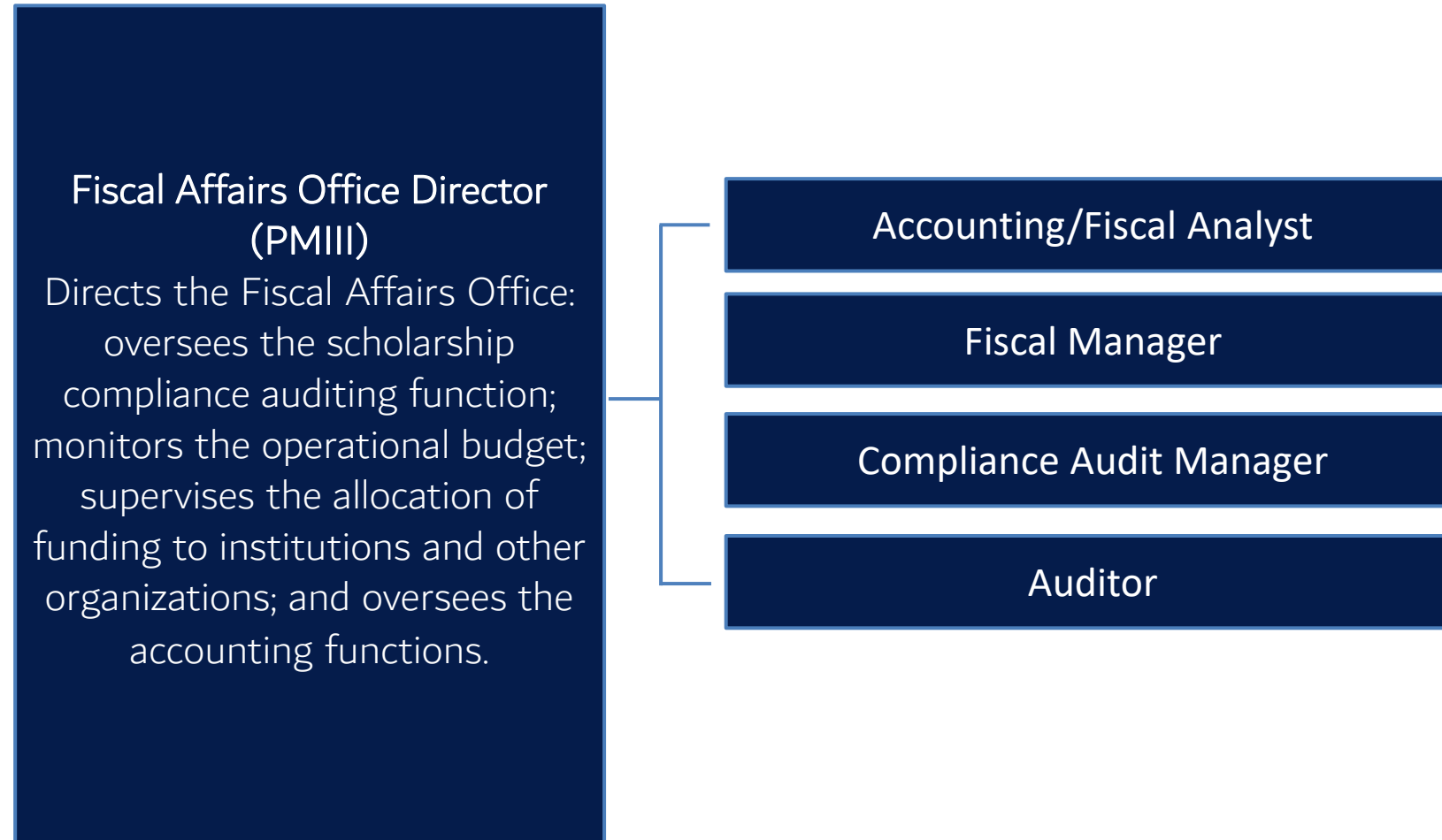
Office Purpose

- Oversees the financial operations of the agency
- Responsibilities include:
 - fund allocation and distribution (various funds)
 - accounting functions
 - budget management
 - compliance audits
 - federal grants management

Office Internal Operations

- The Office has three major functions:
 - Accounts Receivable (1 FTE)
 - Procurement & Accounts Payable (1 FTE)
 - Compliance Audits (2 FTEs)
- Director (1 FTE)

Organizational Chart



Human Resources Information

- FY 20 Turnover Rate 0%
- FY 21 Turnover Rate 26%
- FY 22 Turnover Rate 0%
- FY 23 Turnover Rate 0%

Manual Entry Information

- Entering monthly purchase card transactions
- Entering data for grant reimbursement
- Entering scholarship invoice/payment info
- Recording transactions sent to shared services
- Entering check and fee income data
- Scholarship compliance reviews

Office Responsibilities

- Routine office operations include:
 - Loading budgets and monitoring accounts
 - Completing and submitting purchase orders
 - Reimbursing invoice and travel payments
 - Requesting federal grant reimbursements
 - Depositing agency revenue
 - Coordinating parking and building access

Office Responsibilities (Continued)

- Routine office operations include:
 - Distribution of pass-through funding
 - Centralized supply ordering
 - Quarterly cost allocation and journal entries
 - Year-end reporting packages
 - Reviewing budget data on personnel actions

Appropriations History

Commission on Higher Education Budget History	FY 22-23 Budget		FY 21-22 Budget		FY 19-21 Budget*		FY 18-19 Budget		% Change	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Administration										
Executive Director	\$204,111	\$204,111	\$204,111	\$204,111	\$170,572	\$170,572	\$170,572	\$170,572		
Classified Positions	\$1,417,734	\$1,417,734	\$1,362,804	\$1,362,804	\$1,419,490	\$1,419,490	\$1,419,490	\$1,419,490		
Other Personal Services	\$60,765	\$60,765	\$60,765	\$60,765	\$60,765	\$60,765	\$60,765	\$60,765		
Other Operating Expenses	\$385,520	\$385,520	\$385,520	\$385,520	\$285,520	\$285,520	\$285,520	\$285,520		
Subtotals	\$2,068,130	\$2,068,130	\$2,013,200	\$2,013,200	\$1,936,347	\$1,936,347	\$1,936,347	\$1,936,347	6.81%	6.81%

Appropriations History (Continued)

Commission on Higher Education Budget History	FY 22-23 Budget		FY 21-22 Budget		FY 19-21 Budget*		FY 18-19 Budget		% Change	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Other Agencies										
Greenville Technical College (University Center)	\$594,390	\$594,390	\$594,390	\$594,390	\$594,390	\$594,390	\$594,390	\$594,390		
University Center of Greenville (Operations)	\$1,084,899	\$1,084,899	\$1,084,899	\$1,084,899	\$1,084,899	\$1,084,899	\$1,084,899	\$1,084,899		
Academic Endowment	\$160,592	\$160,592	\$160,592	\$160,592	\$160,592	\$160,592	\$160,592	\$160,592		
EPSCOR	\$161,314	\$161,314	\$161,314	\$161,314	\$161,314	\$161,314	\$161,314	\$161,314		
African American Loan Program	\$119,300	\$119,300	\$119,300	\$119,300	\$119,300	\$119,300	\$119,300	\$119,300		
Performance Funding	\$1,397,520	\$1,397,520	\$1,397,520	\$1,397,520	\$1,397,520	\$1,397,520	\$1,397,520	\$1,397,520		
State Electronic Library (PASCAL)	\$4,350,866	\$164,289	\$4,350,866	\$164,289	\$4,350,866	\$164,289	\$4,350,866	\$164,289		
Subtotals	\$7,868,881	\$3,682,304	\$7,868,881	\$3,682,304	\$7,868,881	\$3,682,304	\$7,868,881	\$3,682,304	0.00%	0.00%

Appropriations History (Continued)

Commission on Higher Education Budget History	FY 22-23 Budget		FY 21-22 Budget		FY 19-21 Budget*		FY 18-19 Budget		% Change	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Licensing										
Classified Positions	\$239,534	\$47,972	\$239,534	\$47,972	\$239,534	\$47,972	\$239,534	\$47,972		
Other Operating Expenses	\$109,929	\$0	\$109,929	\$0	\$109,929	\$0	\$109,929	\$0		
Subtotals	\$349,463	\$47,972	\$349,463	\$47,972	\$349,463	\$47,972	\$349,463	\$47,972	0.00%	0.00%
State Approving Agency										
Unclassified Positions	\$42,600	\$0	\$42,600	\$0	\$32,788	\$0	\$32,788	\$0		
Other Personal Services	\$162,129	\$0	\$162,129	\$0	\$162,129	\$0	\$162,129	\$0		
Other Operating Services	\$144,200	\$0	\$144,200	\$0	\$66,723	\$0	\$66,723	\$0		
Subtotals	\$348,929	\$0	\$348,929	\$0	\$261,640	\$0	\$261,640	\$0	33.36%	0.00%

Appropriations History (Continued)

Commission on Higher Education Budget History	FY 22-23 Budget		FY 21-22 Budget		FY 19-21 Budget*		FY 18-19 Budget		% Change	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
CHE Grant & Other Higher Education Collaboration										
EEDA	\$1,180,576	\$1,180,576	\$1,180,576	\$1,180,576	\$1,180,576	\$1,180,576	\$1,180,576	\$1,180,576		
Improving Teacher Quality (ITQ)	\$876,879	\$0	\$876,879	\$0	\$876,879	\$0	\$876,879	\$0		
GEAR UP	\$3,620,801	\$177,201	\$3,620,801	\$177,201	\$3,620,801	\$177,201	\$3,620,801	\$177,201		
College Goal Sunday	\$41,000	\$0	\$41,000	\$0	\$41,000	\$0	\$41,000	\$0		
AmeriCorps Grant	\$160,000	\$0								
Ascend 60x30	\$750,000	\$750,000								
SmartState Program Administration	\$885,284	\$0	\$885,284	\$0	\$885,284	\$0	\$885,284	\$0		
Subtotals	\$7,514,540	\$2,107,777	\$6,604,540	\$1,357,777	\$6,604,540	\$1,357,777	\$6,604,540	\$1,357,777	13.78%	55.24%

Appropriations History (Continued)

Commission on Higher Education Budget History	FY 22-23 Budget		FY 21-22 Budget		FY 19-21 Budget*		FY 18-19 Budget		% Change	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Employee Benefits										
Employer Contributions	\$761,299	\$646,039	\$744,163	\$628,903	\$835,450	\$632,901	\$835,450	\$632,901		
Subtotals	\$761,299	\$646,039	\$744,163	\$628,903	\$835,450	\$632,901	\$835,450	\$632,901	-8.88%	2.08%
Scholarships & Assistance										
SREB Contract Program & Assessments	\$6,585,183	\$6,585,183	\$6,585,183	\$6,585,183	\$3,785,183	\$3,785,183	\$3,785,183	\$3,785,183		
Educational Endowment	\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000	\$24,000,000		
Subtotals	\$30,585,183	\$30,585,183	\$30,585,183	\$30,585,183	\$27,785,183	\$27,785,183	\$27,785,183	\$27,785,183	10.08%	10.08%
Grand Total	\$49,496,425	\$39,137,405	\$48,514,359	\$38,315,339	\$45,641,504	\$35,442,484	\$45,641,504	\$35,442,484	8.45%	10.43%

Agency Funding Sources

FUNDING TYPES	CATEGORY	EXPENDITURES
GENERAL	Administrative	Agency operations (i.e., salaries, rent, utilities)
	EEDA	Academy 1 contract / IT support salaries
	ASCEND 60 X 30	Additional staffing for ASCEND initiative
	AmeriCorps Grant Match	Federal grant matching support
	GEAR Up Grant Match	Federal grant matching support
	Pass Through	Designated for agencies / programs
EARMARKED	Licensing Revenue	Operating support for licensing office and administrative support
	Operating Grants	Project Pipeline & SHEEO
RESTRICTED	Lottery	6 scholarship programs & 7 other programs pass throughs
	Education Improvement Act	Centers of Excellence and teacher recruitment
	SmartState	Program annual audit and conference
FEDERAL	State Approving Agency	Approves and supervises veterans' education programs in SC
	GEAR UP	Gaining Early Awareness and Readiness for Undergraduate Programs
	AmeriCorps	Service / mentoring / college attainment program
	ESSER	Support summer programs to address learning due to COVID 19

Agency Pass-Through Funding FY23

State Funding	Agencies	Appropriation
Academic Endowment	All the public colleges and universities	\$160,592
African American Loan Program	SC State & Benedict	\$119,300
Established Program to Stimulate Competitive Research (EPSCoR)	SC EPSCoR program is housed at USC-Columbia	\$161,314
Greenville Technical College - University Center	Greenville Technical College	\$594,390
University Center of Greenville Operations	University Center	\$1,084,899
Performance Funding	USC & SC State	\$1,397,520
Southern Regional Education Board (SREB) Contract Program	SREB	\$6,585,183
Education Endowment	Universities (PFs & NBG recipients)	\$24,000,000
Lottery Funding		
Scholarship Programs	Colleges & Universities (Scholarship Recipients)	\$397,739,175
Lottery Technology Funding	Public 4-year & 2-year institutions, and State Technical Colleges	\$8,000,000
Higher Education Excellence Enhancement Program (HEEEP)	Allen; Benedict; Claflin; Clinton; Morris; SCSU; Voorhees; Columbia College; & Converse	\$11,250,000
Career Clusters	Allen; Benedict; Claflin; Coker; & Voorhees	\$5,500,000
Nursing Initiative	Research Institutions; 7 Comprehensive Institutions; & 13 Technical Colleges	\$10,000,000
Education Improvement Act Funding		
Teacher Recruitment Program	Center for Educator Recruitment, Retention, and Advancement (CERRA) & SCSU	\$4,243,527
Centers of Excellence	Six Centers housed at USC-Columbia; Citadel; FMU; Clemson; & Columbia College	\$1,137,526



Agency-Funded Programs

Title		Purpose
1		Administration
2	*	Performance Funding
3		State Electronic Library
4	*	EIA - Allocation
5	*	EPSCOR
6	*	Academic Endowment
7	*	African American Loan Program
8	*	University Center of Greenville
9	*	Greenville Technical College
10		Licensing
11		State Electronic Library
12		State Approving Agency
13		EEDA
14		Improving Teacher Quality - Grant
15		Centers of Excellence
16		GEAR UP - grant
18		College Goal Sunday
19		SmartState
20		AmeriCorps - Grant
21		Ascend 60 X 30

Agency operations

Designated funding for EPSCOR SC State University (Proviso 11.6)

Track state and subscription revenue funds for PASCAL

Teacher Recruitment - Education Improvement Act

Designated funding for EPSCOR

Allocation to public college endowment funds

Designated funding for SC State (73.7%) and Benedict (26.3%) Proviso 11.2

Designated funding for the University Center

Operations and maintenance of University Center building

Licensing department operations

Lottery appropriations for operations

Veterans' education and training section

Education and Economic Development Act Funding - Academy 1 contract

Increase academic achievement by improving teacher quality - Federal grant ended in 2018

Serves as resource centers for improving teacher education

Addresses systemic barriers to postsecondary success and career options - grant ended in 2019

FAFSA completion

Authority for the administration of the SmartState program

Service/mentoring/college attainment program

Goal: 60% of South Carolinians with a high-quality postsecondary credential by 2030

Agency-Funded Programs (Continued)

		Title	Purpose
22		ESSER - Grant	Summer programs to mitigate the learning loss as a result of COVID 19
23		Carry-Forward	Carry-forward holding account
24		State Employer Contribution	Houses state employer contribution funding / authority
25	*	National Guard Tuition Program	Provides college assistance for National Guard members
26	*	LIFE Scholarships	Pays institutions on behalf of students for their LIFE scholarship awards
27	*	HOPE Scholarship	Pays institutions on behalf of students for their HOPE scholarship awards
28	*	Technology	Technology needs for public 4-year, 2-year, and technical colleges (Proviso 3.5)
29		Lottery Administration	Agency funding for administration of lottery programs
30		Southern Regional Education Board	Reciprocal agreements to charge In-State tuition for Out -of-State students
31	*	Education Endowment	Pays institutions on behalf of students for their NBG and PFs scholarship awards
32	*	Lottery Tuition Assistance Program	Pays institutions on behalf of students for their LTAP awards
33	*	HEEEP	Higher Education Excellence Enhancement Program
34	*	Need-Based Grants	Pays institutions on behalf of students for their NBG awards
35		Comm IT Security & Tech Upgrades	Agency technology needs
36	*	Nursing Initiative	Funding used to address nursing shortages (Proviso 3.5)
37		AmeriCorps - Grant Match	State match for grant
38	*	University Center of Greenville	Supplemental appropriation for center operations
38		Institutes of Innovation	CHE fiscal agent for SCIII
40	*	Career Cluster Grant	Funding distribution outlined in Proviso 3.5

July 2016 - September 2018 Procurement Audit Findings & Corrective Action(s)

Issue Identified	Recommended Action	Agency's Action in Response
Finding 1: CHE did not have a Procurement Operations Procedure manual.	Develop and adopt a procurement procedures manual as required by SC Consolidated Procurement Code & Regulations.	CHE developed a fully compliant manual in January 2019.
Finding 2: Purchase orders were manually generated by agency staff, bypassing SCEIS system controls.	Generate purchase orders in SCEIS & scan supporting documentation into SCEIS. Ensure that the direct pay process is only used when the purchase order method is not feasible.	CHE contracted with the Department of Administration (DOA) Shared Services in FY 19 to generate purchase orders in SCEIS.
Finding 3: Individual roles and responsibilities under an MOU with DOA are unclear.	Develop a procedures manual for performing procurement functions that clearly.	The CHE included in its procurement procedures manual clearly delineated roles & responsibilities of CHE and DOA staff.
Finding 4: Consulting services provided by three individuals were obtained without competition.	CHE should develop and implement procedures to ensure compliance with the competition requirements of the Procurement code.	The agency addressed the issue through its relationship with DOA.

July 2016 - September 2018 Procurement Audit (Continued)

Findings & Corrective Action(s)

Issue Identified	Recommended Action	Agency's Action in Response
Finding 5: Consulting services solicited using specifications from existing unauthorized contract.	CHE should adhere to §11-35-2730 of the Procurement Code regarding the development of specifications to ensure actual needs are met without being unduly restrictive.	CHE worked with the Department of Administration (DOA) to ensure that all solicitations be drafted in compliance with the Procurement Code. Also, it included this information in its procurement procedures manual.
Finding 6: In several instances, requisitions were approved on the same day the invoice was received or after services had been rendered.	CHE should establish and implement procedures for requisition approval prior to the purchase of supplies and services.	This issue has been addressed by the agency's relationship with DOA. Since the relationship began, no procurements or hires have been made without the input and/or approval of the DOA staff, ensuring compliance with relevant statutes and regulations. Also, the new procurement procedures manual clearly lists the procedures for the requisitions and approval of supplies and services prior to their purchase.

July 2016 - September 2018 Procurement Audit (Continued)

Findings & Corrective Action(s)

Issue Identified	Recommended Action	Agency's Action in Response
Finding 7: CHE failed to report an unauthorized procurement that occurred in November 2017 to the Chief Procurement Officer.	CHE should submit quarterly records of unauthorized procurements to the Chief Procurement Officer on a quarterly basis in accordance with the regulations. Effective July 1, 2018, the Department of Administration (DOA) began submitting quarterly reports for CHE under the MOU.	This issue has been addressed by the agency's relationship with DOA. As noted in the report, DOA began submitting quarterly records of authorized procurements to the Chief Procurement Officer on behalf of CHE effective July 1, 2018.

Lottery Administration

- Load initial budget and quarterly cash transfer
- Process and reconcile scholarship payments
- Distribute other program funding
 - Need-Based Grant (NBG)
 - Higher Education Excellence Enhancement Program (HEEEP)
- Manage Cash
- Report Lottery Expenditures – Proviso 3.1

Lottery Scholarships

Year-End Cash Balances

10-Year Trend (expressed in thousands)

Scholarship Programs	2022 \$	2021 \$	2020 \$	2019 \$	2018 \$	2017 \$	2016 \$	2015 \$	2014 \$	2013 \$
LIFE	77,879	53,697	39,492	21,399	14,561	(17)	4,759	4,204	169	3,035
Palmetto Fellows	(4,205)	(12,844)	(8,155)	(6,960)	(2,461)	0	789	697	938	1,041
HOPE	17,845	18,919	14,787	10,286	5,071	(3)	(3)	75	315	929
Need-Based Grant	3,284	1,849	1,934	1,039	408	1,054	626	2,151	1,369	1,303
National Guard College Assistant Program	5,629	6,737	6,673	6,321	6,024	3,685	1,761	3,531	2,099	0
Lottery Tuition Assistance Program	14	11	15	5	10	0	45	316	0	0



Scholarship Projections

The projection methodology historically used for LIFE, Palmetto Fellows, and HOPE scholarship programs has been based on a 10 to 15 year compound average growth rate percentage. This methodology has resulted in overestimates for the LIFE and HOPE programs over the past several years due to enrollment volatility caused in part by the pandemic.

As a result, the agency is in the process of revising its scholarship projection methodology. The new methodology will not only look at past scholarship expenditures but projected enrollment trends as well.

Scholarship Compliance

Audit Requirements by Statute

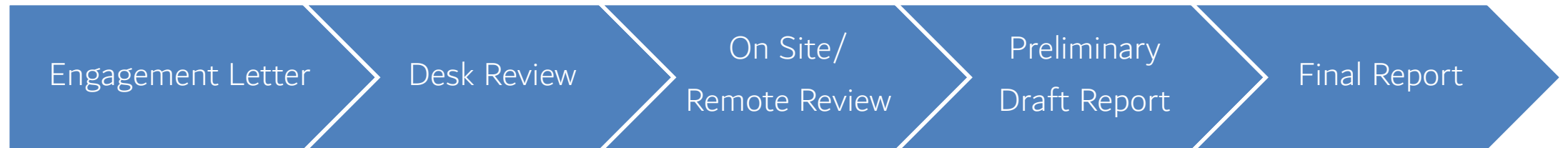
South Carolina State Appropriations Act, Section 3.1 of the Lottery Expenditure Account requires each institution to have:

- Procedures to monitor lottery fund expenditures
- Scholarship compliance reviews

Scholarship Compliance Reviews

- Audited lottery funded scholarships, grants and other assistance:
 - Palmetto Fellows Scholarship (PF)
 - LIFE Scholarship (LIFE)
 - HOPE Scholarship (HOPE)
 - National Guard College Assistance Program (NGCAP)
 - Lottery Tuition Assistance Program (LTAP)
 - SC Need Based Grant (SCNDBG)

Scholarship Compliance Review Process



Questions?

